

STATE OF WASHINGTON



OFFICE OF
INSURANCE COMMISSIONER

In the Matter of
UNITED SERVICES
AUTOMOBILE ASSOCIATION,
An Authorized Insurer

NO. D03-104

CONSENT ORDER
IMPOSING A FINE

FINDINGS OF FACT:

1. United Services Automobile Association ("USAA") is authorized to transact insurance business in the state of Washington.
2. USAA used a third party administrator named ADP to review medical billings arising from personal injury protection ("PIP") automobile insurance claims. ADP used reviewers who were not licensed doctors of osteopathy to review billings from treating doctors in osteopathy. They disallowed or denied some of the bills.

CONCLUSIONS OF LAW:

1. The use of medical reviewers who were not licensed doctors of osteopathy to review billings of treating doctors of osteopathy violated Washington Administrative Code WAC 284-30-395(3)(a).

CONSENT TO ORDER:

1. RCW 438.05.185 authorizes the Insurance Commissioner to impose a fine in lieu of the suspension or revocation of the certificate of authority held by an insurer which violates an applicable provision of Title 48 RCW or Title 284 WAC. The Commissioner has offered a settlement in lieu of suspending or revoking the certificate of authority held by USAA. USAA consents to the entry of this Consent Order and admits to the foregoing Findings of Fact and Conclusions of Law. USAA acknowledges its duty, and the duty of third party administrators and other entitles acting on behalf of USAA, to comply with all the applicable statutes and regulations of the state of Washington.
2. By agreement of the parties, the Insurance Commissioner will not revoke or suspend the certificate of authority held by USAA but will impose a fine of \$21,800. This is to be paid within thirty days of the date this Order is entered. Failure to pay the fine timely and in full will constitute grounds for suspension or revocation of the certificate of authority

held by USAA. It will also result in a civil action being brought on behalf of the Insurance Commissioner by the Attorney General of the State of Washington, to recover the fine.

UNITED SERVICES AUTOMOBILE ASSOCIATION

By: _____

Printed Name: _____

Printed Corporate Title: _____

ORDER:

Pursuant to RCW 48.05.185, the Insurance Commissioner imposes a fine of \$21,800 (twenty-one thousand eight hundred dollars and no/100) upon United Services Automobile Association, in lieu of suspension or revocation of the certificate of authority held by that insurer in the state of Washington. The fine is to be paid in full within thirty days of the entry of this Order. Failure to pay this fine timely and in full will constitute grounds for suspension or revocation of that certificate of authority. It will also result in a civil action to recover the fine, brought on behalf of the Insurance Commissioner by the Attorney General of the state of Washington.

ENTERED AT TUMWATER, WA, this 27th day of June, 2003

MIKE KREIDLER
Insurance Commissioner

William Kirby
Legal Affairs Division